

# HOUSE BILL 1453

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By: **Delegates Reilly, Arikan, Griffith, and Szeliga**

Introduced and read first time: February 7, 2020

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Home Builder Registration and Home Improvement Licenses – Professional**  
3 **Education Requirements**

4 FOR the purpose of requiring a registered home builder and a registered sales  
5 representative to complete certain professional education requirements to qualify for  
6 renewal of a registration or a registration certificate; requiring the Home Builder  
7 and Home Builder Representative Registration Unit to waive a certain requirement  
8 under certain circumstances; requiring a licensed contractor and a licensed  
9 salesperson to complete certain professional education requirements to qualify for  
10 renewal of a certain license; requiring the Home Improvement Commission to waive  
11 a certain requirement under certain circumstances; providing for the duties of the  
12 Home Builder and Home Builder Sales Representative Registration Unit and the  
13 Maryland Home Improvement Commission regarding certain professional education  
14 requirements for certain registrants or certain licensees; requiring the Unit or the  
15 Commission to approve the curriculum for a professional education course if the  
16 curriculum covers certain information; requiring the Unit or the Commission to  
17 approve the curriculum for a professional education course under certain  
18 circumstances; requiring a certain person to submit the course curriculum to the  
19 Unit or the Commission for approval within a certain period of time; providing that  
20 a professional education course does not need to be conducted in the State to be  
21 approved by the Unit or the Commission; requiring a person conducting a certain  
22 professional education course or the course instructor to submit certain documents  
23 to the Unit or the Commission or to a certain registrant or a certain licensee;  
24 requiring a certain document to include certain information; requiring a certain  
25 registrant or a certain licensee to submit certain information to the Unit or the  
26 Commission under certain circumstances; stating that the renewal of a certain  
27 registration or a certain license is not valid unless the registrant or licensee has met  
28 certain requirements; requiring the Maryland Department of Labor to adopt certain  
29 regulations; providing for a delayed effective date; and generally relating to  
30 professional education requirements for home builders, registered sales  
31 representatives, licensed contractors, and licensed salespersons.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,  
2 Article – Business Regulation  
3 Section 4.5–201 and 8–101(a), (b), and (i)  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2019 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – Business Regulation  
8 Section 4.5–305 and 8–308  
9 Annotated Code of Maryland  
10 (2015 Replacement Volume and 2019 Supplement)

11 BY adding to  
12 Article – Business Regulation  
13 Section 4.5–305.1 and 8–308.2  
14 Annotated Code of Maryland  
15 (2015 Replacement Volume and 2019 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
17 That the Laws of Maryland read as follows:

18 **Article – Business Regulation**

19 4.5–201.

20 There is a Home Builder and Home Builder Sales Representative Registration Unit  
21 in the Division.

22 4.5–305.

23 (a) (1) Unless renewed under this section, a registration or registration  
24 certificate expires on the second anniversary of its effective date.

25 (2) A registrant or registered sales representative that meets the  
26 requirements of subsection (c) of this section may obtain a renewal of a registration or  
27 registration certificate before the registration or registration certificate expires for an  
28 additional 2–year term.

29 (3) Once expired, a registration or a registration certificate may not be  
30 renewed.

31 (b) At least 60 days before a registration or registration certificate expires, the  
32 Unit shall mail the registrant or registered sales representative, at the last known address  
33 of the registrant or registered sales representative:

34 (1) a renewal application form; and

1 (2) a notice that states:

2 (i) the date on which the current registration or registration  
3 certificate expires; and

4 (ii) the date by which the Unit must receive the renewal application  
5 for a renewal to be issued and mailed before the registration or registration certificate  
6 expires.

7 (c) The Unit shall renew the registration or registration certificate of each  
8 registrant or registered sales representative that:

9 (1) submits to the Unit a renewal application on the form provided by the  
10 Unit;

11 (2) would qualify for an initial registration or initial registration  
12 certificate;

13 (3) (i) for renewal of a registration, pays to the Division a  
14 nonrefundable renewal fee based on the number of building permits for the construction of  
15 new homes issued to the registrant in the preceding calendar year as follows:

16 1. 10 or fewer new homes..... \$400;

17 2. 11 to 74 new homes..... \$800; and

18 3. 75 or more new homes..... \$1,200; or

19 (ii) for renewal of a registration certificate, pays to the Division a  
20 nonrefundable renewal fee of \$300; [and]

21 (4) COMPLETES THE PROFESSIONAL EDUCATION INSTRUCTION  
22 REQUIRED UNDER § 4.5–305.1 OF THIS SUBTITLE; AND

23 [(4)] (5) is otherwise entitled to be registered.

24 **4.5–305.1.**

25 (A) TO QUALIFY FOR A RENEWAL OF A REGISTRATION OR A REGISTRATION  
26 CERTIFICATE UNDER THIS SUBTITLE, A REGISTRANT OR REGISTERED SALES  
27 REPRESENTATIVE SHALL COMPLETE AT LEAST ONE APPROVED PROFESSIONAL  
28 EDUCATION COURSE DURING THE PRECEDING 2–YEAR TERM.

29 (B) THE PROFESSIONAL EDUCATION COURSE REQUIRED FOR RENEWAL  
30 SHALL BE WAIVED BY THE UNIT IF THE REGISTRANT OR REGISTERED SALES

1 REPRESENTATIVE:

2 (1) IF THE REGISTRATION OR REGISTRATION CERTIFICATE WAS  
3 ISSUED ON OR BEFORE OCTOBER 1, 2010, HAS BEEN CONTINUOUSLY REGISTERED  
4 AND HAS NOT COMMITTED A VIOLATION OF THIS SUBTITLE; OR

5 (2) IF THE REGISTRATION OR REGISTRATION CERTIFICATE WAS  
6 ISSUED ON OR AFTER JUNE 1, 2020, HAS BEEN REGISTERED FOR 10 CONSECUTIVE  
7 YEARS AND HAS NOT COMMITTED A VIOLATION OF THIS SUBTITLE.

8 (C) THE UNIT SHALL:

9 (1) MAINTAIN PROFESSIONAL EDUCATION RECORDS FOR EACH  
10 REGISTRANT AND REGISTERED SALES REPRESENTATIVE;

11 (2) UPDATE EACH REGISTRANT'S OR REGISTERED SALES  
12 REPRESENTATIVE'S PROFESSIONAL EDUCATION RECORDS TO REFLECT  
13 COMPLETION OF THE APPROPRIATE COURSE HOURS; AND

14 (3) MAIL OR ELECTRONICALLY TRANSMIT A RENEWAL APPLICATION  
15 FORM TO EACH REGISTRANT OR REGISTERED SALES REPRESENTATIVE WHEN THE  
16 REGISTRANT'S OR REGISTERED SALES REPRESENTATIVE'S PROFESSIONAL  
17 EDUCATION RECORDS SHOW THAT THE REGISTRANT OR REGISTERED SALES  
18 REPRESENTATIVE HAS COMPLETED THE REQUIRED NUMBER OF COURSE HOURS.

19 (D) (1) A PERSON THAT INTENDS TO CONDUCT A PROFESSIONAL  
20 EDUCATION COURSE UNDER THIS SECTION:

21 (I) SHALL SUBMIT THE COURSE CURRICULUM TO THE UNIT  
22 FOR APPROVAL UNDER THIS SUBSECTION AT LEAST 2 WEEKS BEFORE THE START  
23 DATE OF THE SCHEDULED COURSE; AND

24 (II) MAY NOT ADVERTISE THE COURSE UNTIL IT IS APPROVED  
25 BY THE UNIT.

26 (2) THE UNIT SHALL APPROVE THE CURRICULUM FOR A  
27 PROFESSIONAL EDUCATION COURSE IF THE CURRICULUM COVERS NEW STATE AND  
28 FEDERAL LAWS, REGULATIONS, POLICIES, OR TECHNOLOGIES AFFECTING THE  
29 WORK OF A REGISTRANT OR REGISTERED SALES REPRESENTATIVE.

30 (3) THE UNIT MAY APPROVE A PROFESSIONAL EDUCATION COURSE  
31 THAT IS NOT CONDUCTED IN THE STATE.

1           **(E) (1) ON COMPLETION OF A PROFESSIONAL EDUCATION COURSE BY A**  
2 **REGISTRANT OR REGISTERED SALES REPRESENTATIVE, THE PERSON THAT**  
3 **CONDUCTED THE COURSE OR THE COURSE INSTRUCTOR SHALL SUBMIT A**  
4 **CERTIFICATE OF COMPLETION TO THE UNIT OR TO THE REGISTRANT OR**  
5 **REGISTERED SALES REPRESENTATIVE.**

6           **(2) THE CERTIFICATE OF COMPLETION SHALL INCLUDE THE NUMBER**  
7 **OF CLASSROOM HOURS OF THE COURSE, THE CURRICULUM, AND THE NAME AND**  
8 **HOME BUILDER REGISTRATION NUMBER FOR THE REGISTRANT OR REGISTERED**  
9 **SALES REPRESENTATIVE WHO COMPLETED THE COURSE.**

10           **(3) IF THE PERSON THAT CONDUCTED THE COURSE OR THE COURSE**  
11 **INSTRUCTOR SUBMITTED THE CERTIFICATE OF COMPLETION TO THE REGISTRANT**  
12 **OR REGISTERED SALES REPRESENTATIVE, THE REGISTRANT OR REGISTERED SALES**  
13 **REPRESENTATIVE SHALL SUBMIT THE CERTIFICATE OF COMPLETION ISSUED**  
14 **UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE UNIT.**

15           **(F) A REGISTRANT'S OR REGISTERED SALES REPRESENTATIVE'S RENEWAL**  
16 **IS NOT VALID UNLESS:**

17           **(1) THE REGISTRANT OR REGISTERED SALES REPRESENTATIVE HAS**  
18 **MET THE REQUIREMENTS OF THIS SECTION; AND**

19           **(2) THE UNIT HAS RECEIVED ALL FEES AND FORMS REQUIRED UNDER**  
20 **THIS SUBTITLE.**

21           **(G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THIS**  
22 **SECTION.**

23 8-101.

24           (a) In this title the following words have the meanings indicated.

25           (b) "Commission" means the Maryland Home Improvement Commission.

26           (i) (1) "License" means, except where it refers to a license other than one  
27 issued under this title, a license issued by the Commission.

28           (2) "License" includes:

29                   (i) a contractor license; and

30                   (ii) a salesperson license.

31 8-308.

1 (a) The Secretary may stagger the terms of licenses.

2 (b) Unless a license is renewed for a 2-year term as provided in this section, the  
3 license expires:

4 (1) if the Secretary staggers the terms of licenses, on the date that the  
5 Secretary sets; or

6 (2) if the Secretary does not stagger the terms of licenses, on the first June  
7 30 that comes after the effective date of the license in an odd-numbered year.

8 (c) (1) At least 1 month before a license expires, the Commission shall mail or  
9 electronically transmit to the licensee:

10 (i) a renewal application form; and

11 (ii) a notice that states:

12 1. the date on which the current license expires; and

13 2. the amount of the renewal fee.

14 (2) If an electronic transmission under paragraph (1) of this subsection is  
15 returned to the Commission as undeliverable, the Commission shall mail to the licensee,  
16 at the last known address of the licensee, the materials required under paragraph (1) of  
17 this subsection within 10 business days of the date the Commission received the notice that  
18 the electronic transmission was undeliverable.

19 (d) (1) Before a license expires, the licensee periodically may renew it for an  
20 additional 2-year term, if the licensee:

21 (i) otherwise is entitled to be licensed;

22 (ii) submits to the Commission a renewal application on the form  
23 that the Commission provides;

24 (iii) submits to the Commission proof of compliance with the  
25 insurance requirement of § 8-302.1 of this subtitle, if the licensee is renewing a contractor  
26 license;

27 (iv) submits to the Commission the Department of the Environment  
28 lead paint abatement accreditation number and accreditation expiration date, if the  
29 licensee provides lead paint abatement services; [and]

30 (v) **COMPLETES THE PROFESSIONAL EDUCATION INSTRUCTION**  
31 **REQUIRED UNDER § 8-308.2 OF THIS SUBTITLE; AND**

1                    [(v)] (VI)    pays to the Commission a renewal fee set by the  
2 Commission.

3                    (2)    A licensee that is incorporated or has its principal office in another state  
4 shall pay to the Commission the fee imposed in that state on a similar nonresident business  
5 if that fee is higher than the renewal fee set by the Commission.

6                    (e)    For renewal of a contractor license, the licensee shall:

7                    (1)    submit to the Commission, by a credit reporting agency approved by the  
8 Commission, a credit report that contains the information required by the Commission; or

9                    (2)    pay to the Commission or the Commission's designee a credit report fee  
10 in an amount not to exceed the cost charged by a credit reporting agency approved by the  
11 Commission to obtain a credit report that contains the information required by the  
12 Commission for renewal of a contractor license.

13                    (f)    (1)    The Commission shall renew the license of each licensee who meets the  
14 requirements of this section.

15                    (2)    The Commission may not renew a contractor license unless the  
16 contractor submits proof of compliance with the insurance requirement of § 8-302.1 of this  
17 subtitle.

18                    (g)    A licensed contractor shall give the Commission notice of the cancellation of  
19 insurance required under § 8-302.1 of this subtitle at least 10 days before the effective date  
20 of the cancellation.

21 **8-308.2.**

22                    (A)    **TO QUALIFY FOR RENEWAL OF A LICENSE UNDER THIS SUBTITLE, A**  
23 **LICENSED CONTRACTOR OR A LICENSED SALESPERSON SHALL COMPLETE AT LEAST**  
24 **ONE APPROVED PROFESSIONAL EDUCATION COURSE DURING THE PRECEDING**  
25 **2-YEAR TERM.**

26                    (B)    **THE PROFESSIONAL EDUCATION COURSE REQUIRED FOR RENEWAL**  
27 **SHALL BE WAIVED BY THE COMMISSION IF THE LICENSED CONTRACTOR OR**  
28 **LICENSED SALESPERSON:**

29                    (1)    **IF THE LICENSE WAS ISSUED ON OR BEFORE OCTOBER 1, 2010,**  
30 **HAS BEEN CONTINUOUSLY LICENSED AND HAS NOT COMMITTED A VIOLATION OF**  
31 **THIS SUBTITLE; OR**

32                    (2)    **IF THE LICENSE WAS ISSUED ON OR AFTER JUNE 1, 2020, HAS**

1 BEEN LICENSED FOR 10 CONSECUTIVE YEARS AND HAS NOT COMMITTED A  
2 VIOLATION OF THIS SUBTITLE.

3 (C) THE COMMISSION SHALL:

4 (1) MAINTAIN PROFESSIONAL EDUCATION RECORDS FOR EACH  
5 LICENSEE;

6 (2) UPDATE EACH LICENSEE'S PROFESSIONAL EDUCATION RECORDS  
7 TO REFLECT COMPLETION OF THE APPROPRIATE COURSE HOURS; AND

8 (3) MAIL OR ELECTRONICALLY TRANSMIT A RENEWAL APPLICATION  
9 FORM TO EACH LICENSEE WHEN THE LICENSEE'S PROFESSIONAL EDUCATION  
10 RECORDS SHOW THAT THE LICENSEE HAS COMPLETED THE REQUIRED NUMBER OF  
11 COURSE HOURS.

12 (D) (1) A PERSON THAT INTENDS TO CONDUCT A PROFESSIONAL  
13 EDUCATION COURSE UNDER THIS SECTION:

14 (I) SHALL SUBMIT THE COURSE CURRICULUM TO THE  
15 COMMISSION FOR APPROVAL UNDER THIS SUBSECTION AT LEAST 2 WEEKS BEFORE  
16 THE START DATE OF THE SCHEDULED COURSE; AND

17 (II) MAY NOT ADVERTISE THE COURSE UNTIL IT IS APPROVED  
18 BY THE COMMISSION.

19 (2) THE COMMISSION SHALL APPROVE THE CURRICULUM FOR A  
20 PROFESSIONAL EDUCATION COURSE IF THE CURRICULUM COVERS NEW STATE AND  
21 FEDERAL LAWS, REGULATIONS, POLICIES, OR TECHNOLOGIES AFFECTING THE  
22 WORK OF A LICENSEE.

23 (3) THE COMMISSION MAY APPROVE A PROFESSIONAL EDUCATION  
24 COURSE THAT IS NOT CONDUCTED IN THE STATE.

25 (E) (1) ON COMPLETION OF A PROFESSIONAL EDUCATION COURSE BY A  
26 LICENSEE, THE PERSON THAT CONDUCTED THE COURSE OR THE COURSE  
27 INSTRUCTOR SHALL SUBMIT A CERTIFICATE OF COMPLETION TO THE COMMISSION  
28 OR TO THE LICENSEE.

29 (2) THE CERTIFICATE OF COMPLETION SHALL INCLUDE THE NUMBER  
30 OF CLASSROOM HOURS OF THE COURSE, THE CURRICULUM, AND THE NAME OF THE  
31 LICENSED CONTRACTOR WHO COMPLETED THE COURSE.

1           **(3) IF THE PERSON THAT CONDUCTED THE COURSE OR THE COURSE**  
2 **INSTRUCTOR SUBMITTED THE CERTIFICATE OF COMPLETION TO THE LICENSEE,**  
3 **THE LICENSEE SHALL SUBMIT THE CERTIFICATE OF COMPLETION ISSUED UNDER**  
4 **PARAGRAPH (1) OF THIS SUBSECTION TO THE COMMISSION.**

5           **(F) A LICENSEE'S RENEWAL IS NOT VALID UNLESS:**

6           **(1) THE LICENSEE HAS MET THE REQUIREMENTS OF THIS SECTION;**  
7 **AND**

8           **(2) THE COMMISSION HAS RECEIVED ALL FEES AND FORMS**  
9 **REQUIRED UNDER THIS SUBTITLE.**

10           **(G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THIS**  
11 **SECTION.**

12           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
13 1, 2021.